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## **TESTIMONY**

**of**

**RICHARD JONES**  
**AMVETS NATIONAL LEGISLATIVE DIRECTOR**

**before the**

**COMMITTEE ON VETERANS' AFFAIRS**  
**U.S. HOUSE OF REPRESENTATIVES**

**on**

**THE VA HEALTHCARE SYSTEM'S CAPACITY**  
**TO MEET CURRENT DEMAND**

**Wednesday, January 29, 2003**  
**10:00 A.M.**  
**Room 334**  
**Cannon House Office Building**

MR. CHAIRMAN, RANKING MEMBER EVANS, AND MEMBERS OF THE COMMITTEE:

It is an honor to appear before you and the distinguished members of the Committee on Veterans' Affairs to examine the VA health care system's capacity to meet the current demand for health care. For the record, AMVETS has not received any federal grants or contracts during the current fiscal year or during the previous two years in relation to any of the subjects discussed today.

Mr. Chairman, at an earlier time in our history, one of our most revered leaders said, "The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional to how they perceive the veterans of earlier wars were treated and appreciated by their nation."

Notwithstanding the observation of our First President, George Washington, for the past several years, vital VA healthcare programs keyed to assisting veterans have, in the main, received benign neglect. These trends deeply trouble AMVETS because we believe, like you, that a sacred commitment to those—both past and present—who wear this nation's uniform falls short of the honor our forebears intended.

The VA healthcare system is a unique and irreplaceable national investment, critical to the nation and its veterans. Access to high quality health care remains essential to veterans. In fact, many veterans consider health care to be one of the most important benefits they receive.

If we are to honor our obligation to the brave and dedicated men and women who have worn this nation's uniform, we should clearly understand their legacy – which is freedom. And, in this understanding, we must come to grips with the fact that freedom is not free. Its costs are measured in terms of lives lost and citizen soldiers who, together with their families, bear the scars and infirmities of their service throughout the remainder of their adult lives.

Mr. Chairman, the VA healthcare system's capacity to meet demand is in critical condition. AMVETS has reported over the years about chronic funding shortfalls that have resulted in denial, delay and rationing of veterans healthcare. Most would agree that this is not what our Nation intended as its "grateful" response to the millions of men and women who have defended, and continue to defend, freedom throughout the world.

Indeed, we do not believe these circumstances represent what you and your full committee have collectively fought for on behalf of veterans. AMVETS truly appreciates the support you have provided in your attempt to fund the Department of Veterans Affairs at the necessary levels to allow it to deliver the world-class services of which it is capable.

Last year, your Committee's bipartisan leadership led to a solid recommendation for funding the VA Medical Care system. Unfortunately overall appropriations for VA and nearly all discretionary funding programs fell fate to the turmoil of the last Congress and no appropriation was approved. As a result, there remain serious funding shortfalls in the system, which we hope can be responsibly addressed this year.

Few would suggest that VA's healthcare system is in good shape. As VA ended fiscal year 2002, over a quarter million veterans seeking healthcare were waiting more than six months for an appointment. The Secretary of VA forewarned of this situation when he said in November 2001 that the system required supplemental funding of over \$400 million to meet demand and get through the year. Unfortunately, the Congress and Administration provided a little more than a third of that amount.

Today, as we discuss the condition of the VA healthcare system, funding for the current fiscal year remains stagnant. The VA has waited four months, funded at the already inadequate FY2002 level, for Congress to act on this year's funding. Yet, it is not in place. Unless better things happen, the picture remains troubled. Last week, the Senate voted a devastating reduction in proposed VA funding for the current year. They

recommended a 2.9 percent across-the-board cut in veterans health care. If allowed to go forward, it is estimated that a total of 400,000 veterans would be denied health care over the next nine months.

To further underscore the critical challenge facing VA's healthcare system, the administration dropped a bombshell on January 17 by announcing a policy to ban future access to the system for so-called "category eight" veterans who had not previously enrolled for care. Under the plan, the VA would change Abraham Lincoln's compassion "to care for him who shall have borne the battle," by adding the phrase, "at least for those enrolled in the system prior to January 17, 2003."

Veterans are told through a VA press release that the Department has no other alternative under consideration other than amputating future enrollment. VA indicates that every effort has been undertaken to implement management efficiencies that might partially offset increasing demand against resources. Further, according to VA, the option "to continue placing veterans on waiting lists" is unacceptable "as it negatively affects quality and timely patient care."

Earlier this year, VA implemented a policy aimed to ensure that severely disabled veterans receive prompt care. AMVETS gave its support. With nearly 265,000 veterans waiting for an appointment, granting priority in scheduling healthcare appointments for severely disabled veterans is the right thing to do. AMVETS continues, as always, to support the core mission of VA healthcare. But we are deeply troubled by the decision to ban access.

AMVETS fully supports the enactment of Public Law 104-262 that provided eligibility reform. Eligibility reform championed values that reflect our Nation's obligation to those who served in the Armed Forces.

Blocking access for a certain segment of veterans is not the answer. Recent demand for care is exceeding capacity, because VA is not addressing inadequate funding. Instead of

discouraging veterans from seeking health care, AMVETS would like to see VA present a budget sufficient to cover its true costs.

Instead of directing VA healthcare workers to refer veterans in need of healthcare services who are not enrolled with VA to community Social Work for assistance, we'd rather see a grateful Nation treat them with the dignity they have earned. (VHA Directive 2003-003, January 17, 2003, 4(d))

VA is on the wrong road. Chronic under funding is the issue. Shortfalls in funding have made the system like a rubber band, stretched about as much as it can and ready to pop.

Some suggest that a partial solution, beyond adequate appropriations, would be to allow VA to accept Medicare payments for those veterans who are eligible and who wish to be treated in VA facilities. Frankly, a large majority of those seeking treatment for non-service-connected disabilities are Medicare eligible.

Another suggestion, supported by AMVETS, is to provide mandatory funding. This funding approach would give some certainty to healthcare services. VA facilities would not have to deal with discretionary funding, which has proven fickle and inconsistent.

In the last Congress, legislation to make funding for VA health care mandatory attracted substantial enthusiasm among members of Congress with 129 cosponsors, despite introduction of the bill at the end of the year.

AMVETS trusts identical legislation will be approved in this Congress. We believe mandatory funding of VA health care provides a comprehensive solution to the current funding problem. Once healthcare funding matches the actual average cost of care for the veterans enrolled in the system, with annual indexing for inflation, the VA can fulfill its mission.

Mr. Chairman, as we continue to move forward together in this new millennium, the sustained availability of quality health care is central to VA's mission. AMVETS calls on the Administration and Congress to provide the resources needed to care for America's veterans. We believe that adequate funding will remain central to VA's ability to sustain the timely delivery of quality health care to the men and women who have sacrificed and served in the military.

This concludes my testimony. Thank you for extending the opportunity to appear before you today and thank you for your support of veterans. We believe the price is not too great for the value received.